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8
9 **UNITED STATES BANKRUPTCY COURT**
NORTHERN DISTRICT OF CALIFORNIA
10 **SAN FRANCISCO DIVISION**

11
12 **In re:**

13 **PG&E CORPORATION,**

14 **- and -**

15 **PACIFIC GAS AND ELECTRIC**
16 **COMPANY,**

17 **Debtors.**

- 18 ☐ Affects PG&E Corporation
19 ☐ Affects Pacific Gas and Electric Company
20 ☒ Affects both Debtors

21 ** All papers shall be filed in the Lead Case, No.*
22 *19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**DECLARATION OF A. ANNA CAPELLE IN
SUPPORT OF REORGANIZED DEBTORS'
ONE HUNDRED FIFTH OMNIBUS
OBJECTION TO CLAIMS (BESTWALL
CLAIMS)**

Response Deadline:
October 5, 2021, 4:00 p.m. (PT)

Hearing Information If Timely Response Made:

Date: October 19, 2021

Time: 10:00 a.m. (Pacific Time)

Place: (Tele/Videoconference Appearances Only)

United States Bankruptcy Court

Courtroom 17, 16th Floor

San Francisco, CA 94102

1 I, A. Anna Capelle, pursuant to section 1746 of title 28 of the United States Code, hereby declare
2 under penalty of perjury that the following is true and correct to the best of my knowledge, information,
3 and belief:

4 1. I am employed as a Managing Counsel, Litigation and Commercial Contracts, in the Law
5 Department of Pacific Gas and Electric Company (the “**Utility**”), a wholly-owned subsidiary of PG&E
6 Corporation (“**PG&E Corp.**”) and together with Utility, the “**Reorganized Debtors**” in the above-
7 captioned chapter 11 cases (the “**Chapter 11 Cases**”). I have been employed in this role since May 1,
8 2020, and prior to such date I was employed as Interim Managing Counsel, Strategy and Policy. I have
9 been employed as an attorney for PG&E since October 2006. In my current role, I am responsible for
10 supervising seven litigation attorneys and three commercial contracts attorneys, and advising leaders on
11 litigation and general dispute issues. I also regularly consult with my colleagues elsewhere in the
12 Utility’s Law Department on legal issues that cover a variety of other subject matter. I submit this
13 Declaration in support of the *Reorganized Debtors’ One Hundred Fifth Omnibus Objection to Claims*
14 (*Bestwall Claims*) (the “**Omnibus Objection**”),¹ filed contemporaneously herewith.

15 2. Except as otherwise indicated herein, all facts set forth in this Declaration are based upon
16 my personal knowledge, the knowledge of other personnel of the Reorganized Debtors working under
17 and alongside me on this matter, including my colleagues elsewhere in the Utility’s Law Department,
18 my discussions with PG&E’s professionals and various other advisors and counsel, and my review and
19 my colleagues’ review of relevant documents and information. If called upon to testify, I would testify
20 competently to the facts set forth in this Declaration. I am authorized to submit this declaration on behalf
21 of the Reorganized Debtors.

22 3. The Omnibus Objection is directed at Proofs of Claim specifically identified in **Exhibit 1**
23 to the Omnibus Objection. The Bestwall Claims that are the subject of this Declaration are identified in
24 the columns headed “Claims To Be Disallowed and Expunged” in **Exhibit 1**.

25 4. **Exhibit 1** was prepared by the AlixPartners, LLP (“**AlixPartners**”) team charged with
26 the Bankruptcy Case Management component of AlixPartners’ assignment to assist the Reorganized

27 ¹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in
28 the Omnibus Objection.

1 Debtors from information provided by me, and I have reviewed it to confirm its accuracy. I am familiar
2 with it, its contents, and the process under which it was prepared. To the best of my knowledge,
3 information and belief, **Exhibit 1** accurately identifies the Bestwall Claims.

4 5. The Bestwall Claims were filed by Bestwall LLC, which I understand from publicly filed
5 pleadings in the Bestwall Chapter 11 Case was formerly known as Georgia-Pacific, LLC (“**Bestwall**”),
6 in connection with certain legal actions (the “**Actions**”) asserting claims related to alleged exposure to
7 asbestos-containing products. The Bestwall Claims allege that the Debtors may have liability to Bestwall
8 based on indemnification or contribution, but do not assert any liquidated amount of damages. Annex
9 A to each of the Bestwall Proofs of Claim identifies the 81 Actions in which Bestwall alleges that either
10 Debtor or an affiliate thereof is a co-tortfeasor with Bestwall and therefore potentially liable to Bestwall.

11 6. Because the Bestwall Claims relate to 81 separate Actions, there are multiple grounds for
12 the Debtors’ objections to the Bestwall Claims. A list of the Actions is attached to the Omnibus Objection
13 as **Exhibit 2**, which includes the applicable grounds for objection with respect to each Action, including
14 whether the underlying Action was adjudicated or otherwise resolved as against the Debtors and the date
15 and nature of such resolutions, as identified by the applicable Debtor’s counsel in each Action.

16 7. **Exhibit 2** was prepared by both the AlixPartners team and the Debtors’ counsel (whose
17 work is supervised by the Utility’s Law Department) and includes information regarding each of the
18 Actions. I am familiar with it, its contents, and the process under which it was prepared. To the best of
19 my knowledge, information and belief, **Exhibit 2** accurately identifies and describes the Actions.

20 8. The Bestwall Claims seek indemnification or contribution for all of the Actions in a
21 contingent, unliquidated amount from the Debtors as alleged potential joint tortfeasors. All of the
22 Actions are identified on Exhibit 2 as “(1) (Section 502(e)(1) Disallowance).”

23 9. In the vast majority of the Actions, the underlying claim of the plaintiff against Bestwall
24 was either adjudicated or otherwise resolved at least two years prior to the filing of the Bestwall Chapter
25 11 Case on November 2, 2017. These Actions are identified on Exhibit 2 as “(2) (Barred by Statute of
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1 Limitations).”²

2 10. In many of the Actions, PG&E was dismissed based upon a finding of the presiding court
3 or agreement with the plaintiff as to lack of evidence of PG&E’s potential liability. These Actions are
4 identified on Exhibit 2 as “(3) (Determination of No PG&E Liability).”

5 11. In some Actions, the plaintiff agreed that the presiding court had no personal jurisdiction
6 over PG&E. These Actions are identified on Exhibit 2 as “(4) (No Personal Jurisdiction).”

7 12. In certain Actions, based upon PG&E’s status as an employer of the plaintiff, PG&E was
8 dismissed because such claims are subject to the exclusivity of the Workers Compensation statutes set
9 forth in the California Labor Code. These Actions are identified on Exhibit 2 as “(5) (Workers’
10 Compensation Exclusivity).”

11 13. In at least two of the Actions, Bestwall was dismissed without any liability and without
12 paying any damages, by way of settlement or otherwise. These Actions are identified on Exhibit 2 as
13 “(6) (No Damages).”

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25 ² The Actions identified as “Barred by Statute of Limitations” Actions on Exhibit 2 are those
26 that, based on the public record, were dismissed as to Bestwall as of November 2, 2015. It is likely
27 that there are Actions that had not been dismissed as of November 2, 2015, but which are nevertheless
28 time-barred under the two-year statute of limitations because Bestwall had paid on the underlying
claim prior to that date. The Reorganized Debtors reserve their right to object to the Bestwall Claims
with respect to such Actions on the basis that they are barred by the statute of limitations, or to object
to the Bestwall Claims on any other grounds.

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2 Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and
3 correct to the best of my knowledge, information, and belief. Executed this ninth day of September,
4 2021.

5 /s/ A. Anna Capelle
6 A. Anna Capelle
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